

CITY OF SAN JOSÉ, CALIFORNIA Department of Planning, Building and Code Enforcement 301 North First Street, Room 400 San José, California 95110-1795	Hearing Date/Agenda Number P.C. 12/11/02 Item: 3.h.
<h2 style="margin: 0;">STAFF REPORT</h2>	File Number PDC 02-060
	Application Type Planned Development Rezoning
	Council District: 6
	Planning Area Central
	Assessor's Parcel Number(s) 261-01-069; 070; 071; and 072
<div style="display: flex; justify-content: space-between;"> <div>PROJECT DESCRIPTION</div> <div>Completed by: Carol Hamilton</div> </div>	
Location: Northeasterly corner of The Alameda and Morrison Avenue	
<div style="display: flex; justify-content: space-between;"> <div>Gross Acreage: 0.98</div> <div>Net Acreage: 0.98</div> <div>Net Density: 41 DU/AC</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>Existing Zoning: CG Commercial General, CO Commercial Office</div> <div>Existing Use: Single-family detached residential, office and vacant</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>Proposed Zoning: A(PD) Planned Development</div> <div>Proposed Use: 40 single-family attached residences, office and single-family detached</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>GENERAL PLAN</div> <div>Completed by: CH</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>Land Use/Transportation Diagram Designation General Commercial; Neighborhood Business District</div> <div>Project Conformance: [x] Yes [] No [x] See Analysis and Recommendations</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>SURROUNDING LAND USES AND ZONING</div> <div>Completed by: CH</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>North: Residential</div> <div>CO Commercial Office</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>East: Commercial and single-family detached residential</div> <div>CG Commercial General, CO Commercial Office</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>South: Commercial and community center</div> <div>CG Commercial General</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>West: Vacant</div> <div>CG Commercial General, CO Commercial Office</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>ENVIRONMENTAL STATUS</div> <div>Completed by: CH</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>[] Environmental Impact Report found complete</div> <div>[] Exempt</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>[x] Negative Declaration circulated on November 21, 2002</div> <div>[] Environmental Review Incomplete</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>FILE HISTORY</div> <div>Completed by: CH</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>Annexation Title: College Park/Burbank</div> <div>Date: December 8, 1925</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>PLANNING DEPARTMENT RECOMMENDATIONS AND ACTION</div> <div></div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>[x] Approval with Conditions</div> <div>Date: _____</div> <div>Approved by: _____</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>[] Denial</div> <div></div> <div>[] Action [x] Recommendation</div> </div>	
<div style="display: flex; justify-content: space-between;"> <div>OWNER/DEVELOPER</div> <div></div> </div>	

Marianne Bacigalupi
Green Valley Corporation
777 N. First Street
San Jose, CA 95112

James Hartigan
919 The Alameda
San Jose, CA 95126

PUBLIC AGENCY COMMENTS RECEIVED**Completed by: CH****Department of Public Works**

See attached memorandum.

Other Departments and Agencies

See attached Fire Department Memorandum.

GENERAL CORRESPONDENCE

See attached correspondence from Michael Black, dated September 20, 2002; and from The Alameda Business Association, dated July 26, 2001

ANALYSIS AND RECOMMENDATIONS

BACKGROUND

The applicant, Green Valley Corporation, is requesting a rezoning from CG Commercial General and CO Commercial Office to A(PD) Planned Development to allow the construction of up to 40 single-family attached residential units and existing office and single-family detached residential uses on 0.98 gross acres. The subject site consists of four parcels that form a rectangle with frontage on both The Alameda and Morrison Avenue. The site is located within The Alameda Neighborhood Business District Redevelopment Project Area.

Project Description

The proposed rezoning provides for up to 40 single-family attached residential live-work/loft units in two four-story buildings, one facing The Alameda and the other Morrison Avenue. An existing office building fronting on The Alameda at the westerly side of the site is proposed to remain. A two-story parking structure with access from Morrison Avenue is proposed at the north end of the site to provide parking for both the residential and office uses. An approximately five-foot strip located between the proposed parking garage and the westerly property line is proposed to be designated for single-family detached uses and to be transferred to the adjacent single-family property owners.

Both of the proposed residential buildings include stacked loft units. The building fronting onto The Alameda is set at the front property line and includes units occupying the first and second floors with front entries and rear patios at the ground level. The loft units occupying the third and fourth floors of this building include third-floor entries at the rear of the building accessed via an exterior stairway. Private open space for these units is provided in the form of balconies facing The Alameda. The building fronting onto Morrison Avenue is double-loaded with ground-floor access to the front units from Morrison Avenue and the rear units from a walkway at the interior of the site. Entries to units occupying the third and fourth floor of this building are located on an interior corridor accessed via stairways. Private open space for these units includes courtyards at the entries to the ground-level units and balconies for the upper loft units.

Existing and Surrounding Uses

The project site is currently developed with an office building and two vacant single-family residences built circa 1917 and 1925. The office building is proposed to remain, but the two single-family residences will be demolished. These residential structures are in poor condition, have been difficult to secure and have attracted vandalism. In response to these conditions, the Director of Planning approved a Special Use Permit allowing their demolition (File No. SP02-027) prior to completion of the approval process for this project.

Uses surrounding the site include residential to the north, commercial and single-family detached residential to the east, commercial and community center to the south and vacant land designated for commercial uses to the west.

PUBLIC OUTREACH

A community meeting was held on April 11, 2002 at the Billy De Frank Community Center. Residents generally expressed support for the project; however, concern was expressed regarding compatibility of the project with the adjacent single-family residences that front onto Rhodes Court. A notice of the public hearing and copy of the Draft Negative Declaration were distributed to the owners and tenants of all properties located within 500 feet of the subject site. Staff has been available to discuss the project with interested members of the public.

GENERAL PLAN CONFORMANCE

The subject site is designated General Commercial with the Neighborhood Business District overlay on the City of San Jose 2020 General Plan Land/Use Transportation Diagram. The proposed project has been found to be consistent with this designation based on the Discretionary Alternate Use Policy, Two-Acre Rule. The Neighborhood Business District designation encourages pedestrian-oriented development and while commercial use is the primary focus, this designation allows residential development in a mixed-use configuration with pedestrian-oriented commercial uses occupying the ground floor pursuant to the Two-Acre Rule. Staff believes that this project is consistent with the intent of the Neighborhood Business District Overlay and the Two-Acre Rule in that it: 1) provides for ground-floor commercial uses in a live/work format that is pedestrian-oriented and compatible with the development pattern of the Business District; 2) is proposed for a site of less than 2 acres in size (0.98); 3) is in substantial conformance with the Residential Design Guidelines (RDG); and 4) is compatible with adjacent uses (see *Analysis* below regarding consistency with the RDG and compatibility with adjacent uses).

ENVIRONMENTAL REVIEW

An Initial Study was prepared for this project and the Director of Planning circulated the Negative Declaration on November 1, 2002. The Public Works Department has assessed the project trip generation and has determined that the project is in conformance with the Transportation Level of Service Policy. A Noise Report included in the Initial Study identified sound attenuation measures that have been incorporated into the project.

A report prepared to address the historical significance of the existing residences on the property concludes that they are not significant resources, but recommends monitoring of subsurface excavation to avoid impacts to any subsurface historic resources that may exist on the site. An archaeology report prepared for the project concludes that prehistoric resources are not expected to be encountered during site excavation. Based on the mitigation and analysis included in the Initial Study, the Negative Declaration concludes that the project will not result in a significant environmental impact.

ANALYSIS

The primary issues for this project are consistency with the Residential Design Guidelines and conformance with Redevelopment Project area affordability requirements.

Residential Design Guidelines (RDG)

The proposed live work project does not fit neatly into any of the housing types identified in the Residential Design Guidelines, although it is most closely related to the *mixed-use development*. The key conformance issues for the proposal include the appropriate mix of uses, compatibility with the surrounding neighborhood, open space and parking. These issues are discussed below.

Mix of Uses

The RDG encourage ground-floor commercial uses and indicated that office uses are appropriate on either the ground floor or upper floors. The Guidelines further specify that consideration should be given to project designs that allow areas of the building to be occupied by either office or residential uses (provided that the uses do not conflict). Neighborhood-serving uses are encouraged and uses incompatible with a residential environment are to be avoided. The proposed project is generally consistent with these recommendations. The Draft Development Standards for the project (see attached) allow professional and business office and art studio uses within the proposed loft units. The live work/loft design provides maximum flexibility for use of unit space in conformance with the policy. It is likely that some of the units will be used solely as residential; however the option remains for implementing non-residential uses within the living environment. The use provisions of the proposed rezoning have been carefully designed to ensure that the mix of uses does not result in land use compatibility conflicts. Business operations within the live work units are limited to between the hours of 7:00 a.m. and 10:00 p.m. and must be conducted by the resident/s of the unit. Uses requiring “H” occupancies under the Uniform Building Code (i.e. uses involving hazardous materials) are not permitted. Based on this analysis, staff concludes that the proposed uses are appropriate to the site location and compatible with one another.

Setbacks, Height and Compatibility with the Surrounding Neighborhood

The Draft Development Standards propose setbacks that are generally consistent with the RDG. The Guidelines recognize that zero or reduced building setbacks from the street are appropriate for higher density housing types along streets with established reduced setback patterns. The project proposes zero setbacks along The Alameda frontage and at the corner of Morrison and The Alameda in keeping with the development pattern of this Neighborhood Business District (NBD). A setback of between 5 and 10 feet for the building fronting onto Morrison Avenue allows for front courtyards and landscaping, but keeps the building entrances close to the street consistent with the NBD location. This building, ranging in height from 42 to 48 feet, is set back over 110 feet from the adjacent residential property line in keeping with the two-to-one setback recommendation of the RDG.

The two-level, L-shaped parking structure with access from Morrison Avenue is set back 16 feet from the street and 10 feet from the adjacent residential property line to the north, and is limited to a height of 15 feet. These setbacks and height limit provide an appropriate transition to the existing residential neighborhood to the north. The project originally proposed a 4 to 5 foot setback between the garage and the easterly property line adjacent to the single-family residences fronting on Rhodes Court. This setback, squeezed between the garage

wall and a property line wall, was not sufficient to accommodate trees of any size and had the potential to present maintenance and security problems. After discussing the interface issue with the three adjacent neighbors and obtaining their concurrence, the applicant is now proposing to transfer the setback area to the adjacent residents through a Lot Line Adjustment, resulting in a zero setback for the garage wall (see attached letter from Michael Black). The applicant is also proposing to plant trees on the adjacent residential properties to screen the garage. There are no openings proposed in the garage wall at this location, and the parapet will be designed to ensure that vehicle lights do not shine into the adjacent single-family rear yards. Staff will work with the applicant at the Planned Development Permit stage to provide garage lighting that prevents light and glare from spilling onto the adjacent properties. A sun/shadow analysis prepared by the applicant indicated that the garage would result in minimal additional shading of the single-family rear yards.

Open Space and Balcony Location

The Draft Development standards for the proposed rezoning require 60 square feet of private open space per unit consistent with the recommendation of the RDG for residential units in a mixed-use development. The project does not provide the recommended 100 square feet of common open space per mixed-use residential unit. Staff believes that the lack of common open space is acceptable for this project because of its live work nature and location within the Neighborhood Business District.

All of the balconies providing private open space for the upper loft units at the third floor level are provided within the boundaries of the project site with the exception of those on the building façade facing The Alameda. These balconies are proposed to extend approximately 3 feet 4 inches over the sidewalk with the public right-of-way. The Alameda is under the jurisdiction of the State and the proposal will require an encroachment permit from Caltrans. Planning staff supports this encroachment given the urban nature of the project and its location within the pedestrian oriented Neighborhood Business District where zero setbacks and active building facades, including residential balconies, are important to the neighborhood character. Because this encroachment will occur over the sidewalk at the third-floor level, it should have no effect on public infrastructure, the flow of traffic, or the provision of emergency services.

Parking Requirements and Garage Interface

Based on the Zoning Code, the proposed project is eligible for a 10% parking reduction due to its location within a Neighborhood Business District. The parking ratios included in the Draft Development Standards for the existing office and proposed live work units reflect this reduction. These spaces are provided in a parking structure consistent with the recommendations of the RDG for mix-use development. The parking structure is proposed to eliminate the current parking lot for the existing office building and the new structure will provide parking for both the existing office and the proposed live work units. The developer has reached agreement with the owner of the office parcel to reconfigure the lotting pattern to sever the area of the office parcel covered by the garage from the remainder of the property. The Draft Development Standards for this proposal provide for off-site parking arrangements to serve the office building which will be implemented through the Planned Development Permit.

The Guidelines recommend that above-ground parking structures along public streets be faced with commercial or residential uses where feasible, that blank garage walls not be located along public streets, that entries to parking structures not be placed in prominent locations and that garage ventilation openings be adequately screened. Although the proposed two-level garage structure is not integrated with the live work buildings and is not faced with active uses at the street frontage, the garage exposure to the street is relatively limited, the access is not prominently located and the street façade is well-detailed and in keeping with the design of the

project as a whole. On the interior of the site, the garage wraps around the larger of the two residential buildings and extends to within approximately 11.5 feet of the proposed residential patios and within 15 feet of the live work building itself. The garage design includes ventilation openings on the garage facades facing the live work building. The project plans include a conceptual design for the interior garage façade that uses vines and water elements to screen the ventilation openings and embellish the interior garage façades. Staff will continue to work with the applicant at the Planned Development Permit stage to ensure that the garage design provides appropriate detailing and screening to achieve an acceptable interface with the adjacent residential units.

Redevelopment Affordability Requirements

The project is located within The Alameda Redevelopment Project Area and is subject the requirement that 20 percent of the residential units be made available to persons of low and moderate income. Staff has included a condition in the Draft Development Standards that requires the applicant to enter in to an affordability agreement with the City prior to approval of a Planned Development Permit.

Conclusion

Based on the above analysis staff concludes that the proposed infill project furthers the goals of the General Plan for mixed-use, infill development that is supportive of the Neighborhood Business District, that it is in substantial conformance with the Residential Design Guidelines, is compatible with the surrounding neighborhood, and is compatible with the City's requirements for affordable housing in a Redevelopment Project Area.

RECOMMENDATION

Planning staff recommends that the Planning Commission forward a recommendation to the City Council to approve the subject rezoning for the following reasons:

1. The project furthers the goals of the General Plan for mixed-use, infill development that is supportive of the Neighborhood Business District.
2. The proposed project is in substantial conformance with the *Residential Design Guidelines*.
3. The proposed rezoning is compatible with the surrounding neighborhood.

c.c. Bob Hightower, Barry Swenson Builder, 777 North First Street, San Jose CA 95112

11/207-02